



Department: Business Office, Clinic Billing Office  
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Effective Date: 06/03/2008  
Version: 1

**Printed copies are for reference only. See the hospital intranet for approved version.**

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**POLICY: Charity Policy 1**

**POLICY SUMMARY/INTENT:**

Sunnyside Community Hospital is committed to serve the medical needs of all persons regardless of ability to pay. In situations where the cost of care is not covered by insurance, it is our policy to assist individuals in applying for financial assistance in a manner that demonstrates the individual dignity and worth of the person.

INTENT: It is the policy of the hospital to provide health care services to all individuals, regardless of their ability to pay. The hospital shall annually make available a reasonable amount of Charity Care services to persons unable to pay.

**DEFINITIONS:** N/A

**POLICY COMPLIANCE – KEY ELEMENTS:**

The eligibility and the determination for an individual to receive Charity Care services are to be made consistent with hospital policy.

The public will be notified by the posting of signs, in English and in Spanish, in all registration areas, waiting areas and the Business Office. The sign shall state the follows:

***Sunnyside Community Hospital provides charity care to persons meeting medical indigent criteria. Charges may be waived or reduced if eligibility for charity care is determined.***

**PROCEDURE:**

ELIGIBILITY.

Charity care is secondary to all other financial resources available to the patient including insurance, government programs, third party liability and liquid assets.

- A. Full charity care will be provided to a responsible party with annual gross family income at or below 125% of published federal poverty guidelines.
- B. A sliding fee schedule will be used to determine charity discounts when annual gross family income is between 100% - 300% of federal poverty guidelines.
- C. Charity care may be provided to a responsible party with annual gross family income greater than 300% of the federal poverty guidelines when there are circumstances such as extraordinary non-discretionary expenses. Future earning capacity and the ability to make payment over an extended period of time also warrant consideration.
- D. Reasonable payment arrangements, consistent with the eligible responsible party's ability to make payments, will be extended for amounts not discounted on the sliding fee schedule. The payment agreement will be entered on the patient account as a contract, with usual and customary tracking for compliance with the payment agreement. Sunnyside Community Hospital reserves the right assign all unpaid balance to collections if an extended payment agreement is in default.

**ELIGIBILITY DETERMINATION.** Sunnyside Community Hospital will use an application process for determining initial interest in and qualification for charity care. A responsible party who chooses to apply for charity care will not be considered unless sufficient information is available to make final determination, including the application. The hospital's decision to provide charity care in no way affects the responsible party's financial obligations to physicians or other healthcare providers.

- A. The hospital will make an initial determination of potential eligibility based on the verbal request for charity care. Pending final eligibility determination, the hospital will not initiate collection efforts or requests for deposits, provided that the responsible party cooperates with hospital efforts to obtain payment from other sources, including Medicaid.
- B. The hospital will furnish an application and instructions to the responsible party when charity care is requested, or when financial screening indicates potential need.
- C. The responsible party will return a completed application as soon as possible, but not to exceed 14 days. The application will be prepared in writing and accompanied by sufficient documentation to verify income amounts indicated on the application form for 12 months prior to the date of the request.
- D. Acceptable forms of income verification include: payroll check stubs, IRS tax returns from the most recently filed calendar year, determination of eligibility for unemployment compensation, attestations of lack of income from responsible party, or letter of support from individuals providing basic needs.
- E. The hospital will keep confidential all information on the application and supporting documentation. The hospital, at its own expense, may request a credit report to further verify the information on the application. An incomplete or fraudulent application will be denied, as will any application not returned within 14 days of receipt of the application.
- F. The hospital will return to the responsible party written notification of eligibility for charity care within 14 days of receipt of a completed application. This notification will include the level of reduction and, if applicable, the patients' liabilities along with a monthly payment contract for signature. Denials will include the reason for the denial and instructions for appeal or reconsideration.
- G. Designation of charity care may occur at any time upon learning of facts that would indicate medical indigence. Should charity care be recognized after the responsible party has made some payment, the entire eligible amount will be subject to charity and payments will be promptly refunded to the responsible party.

**EXCEPTIONS TO REQUIREMENT FOR DSHS APPLICATION AND DETERMINATION:**

- A. Medicare recipients
- B. Emergency Room patients having the following characteristics:
  - Total of bills is under \$2,000 **and one of the following:**
  - A single person with no dependents
  - Transients
  - Clients with alcohol and substance abuse related illnesses
  - Homeless clients with no mailing address
  - Clients in police custody
- C. Clients not meeting any of the Medicaid Eligibility Guidelines, (attached). These clients may proceed directly to Charity Application at the discretion of the PFS Manager, DSHS Coordinator or the Self Pay Financial Counselor.

The clients in Category B (above) are unlikely to comply with DSHS application requirements and are obvious bad debt potential.

When self pay bills produce, those who have a potential for any of the above classifications will be routed to the DSHS Coordinator for screening. The Coordinator will make recommendations to the PFS Manager regarding approval for charity consideration.

The DSHS Coordinator is available on day shift to counsel with clients seeking emergency medical care after they are treated.

APPEALS. The responsible party may appeal the determination of eligibility for charity care by providing additional verification of income or family size, or possible exceptional circumstances which may alter the decision. This must be appealed within 30 days of receipt of notification. The PFS Manager and the Chief Financial Officer will review all appeals for final determination. If this determination affirms the previous denial of charity care, a written final notification will be sent to the responsible party.

POLICY ADMINISTRATION. Reports on charity allowances, in a form determined by the hospital Chief Executive Officer, will be provided to the hospital's Board of Trustees on a regular basis.

SLIDING FEE SCHEDULE FOR CHARITY. The sliding fee schedule by which the hospital determines eligibility will be an attachment to the charity care application. The sliding fee schedule may be changed on an annual basis, and will be reviewed and updated as appropriate.

**REFERENCE:** N/A

**POLICY HISTORY:** N/A

**APPROVAL:** Schlenker, Jim (Chief Financial Officer); Schutt, Molly (Manager)